

COUNTY OF LINN, IOWA

**INFORMATION TO COMPLY WITH
*GOVERNMENT AUDITING STANDARDS AND
OMB CIRCULAR A-133, AUDITS OF STATES, LOCAL
GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS***

FOR THE YEAR ENDED JUNE 30, 2004

COUNTY OF LINN, IOWA

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CPAs & BUSINESS ADVISORS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Officials of the County of Linn, Iowa:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Linn, Iowa, as of and for the year ended June 30, 2004, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 17, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; Chapter 11 of the Code of Iowa; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the County of Linn, Iowa, in a separate letter dated November 17, 2004. There were no prior year reportable conditions.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that are described in Part II of the accompanying Schedule of Findings and Questioned Costs.

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Comments involving statutory and other legal matters about the County's operations for the year ended June 30, 2004, are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the County. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes. There were no prior year statutory comments and recommendations.

This report, a public record by law, is intended solely for the information and use of the officials, employees, and citizens of the County of Linn, Iowa, and other parties to whom the County of Linn, Iowa, may report. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the County of Linn, Iowa, during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Sida Bailey LLP

Dubuque, Iowa
November 17, 2004



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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Officials of the County of Linn, Iowa:

Compliance

We have audited the compliance of the County of Linn, Iowa, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The County's major federal programs are identified in the summary of the independent auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; Chapter 11 of the Code of Iowa; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County of Linn, Iowa, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of the County of Linn, Iowa, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Linn, Iowa, as of and for the year ended June 30, 2004, and have issued our report thereon dated November 17, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report, a public record by law, is intended solely for the information and use of the officials, employees, and citizens of the County of Linn, Iowa, and other parties to whom the County of Linn, Iowa, may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

Erin Bailey LLP

Dubuque, Iowa
November 17, 2004

COUNTY OF LINN, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004

| <u>Grantor/Program</u> | <u>CFDA Number</u> | <u>Agency or Pass-Through Number</u> | <u>Program Expenditures</u> |
|---|------------------------|--|---------------------------------|
| Direct | | | |
| Department of Justice | | | |
| Local Law Enforcement Block Grants Program | 16.592 | 2002-LB-BX-1459 | \$ <u>30,727</u> |
| Total Direct | | | <u>30,727</u> |
| Indirect | | | |
| Department of Agriculture | | | |
| Iowa Department of Education | | | |
| School Breakfast Program | 10.553 | 57-8022 | 18,542 |
| National School Lunch Program | 10.555 | 57-8022 | <u>26,924</u> |
| | | | <u>45,466</u> |
| Child and Adult Care Food Program | 10.558 | 57-8012 | <u>34,875</u> |
| Iowa Department of Human Services | | | |
| Human Services Administrative Reimbursements | | | |
| State Administrative Matching Grants for | | | |
| Food Stamp Program | 10.561 | | 66,599 |
| Iowa Department of Public Health | | | |
| State Administrative Matching Grants for | | | |
| Food Stamp Program | 10.561 | 5883NU15 | <u>163,095</u> |
| | | | <u>229,694</u> |
| Department of Housing and Urban Development | | | |
| Iowa Department of Economic Development | | | |
| Emergency Shelter Grants Program | 14.231 | 03-ES-005 | <u>211,689</u> |
| HOME Investment Partnerships Program | 14.239 | 01-HMS-118-2 | <u>15,807</u> |
| City of Cedar Rapids, Iowa | | | |
| Lead-Based Paint Hazard Control in Privately- | | | |
| Owned Housing | 14.900 | IALHB0179-01 | <u>116,609</u> |
| Department of Justice | | | |
| Iowa Department of Human Rights | | | |
| Juvenile Accountability Incentive Block | | | |
| Grants (JAIBG) | 16.523 | 31-JD01-F502 | 53,234 |
| Juvenile Accountability Incentive Block | | | |
| Grants (JAIBG) | 16.523 | 31-JD02-F03 | <u>154,250</u> |
| | | | <u>207,484</u> |
| | | | (continued) |

COUNTY OF LINN, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004

| <u>Grantor/Program</u> | <u>CFDA Number</u> | <u>Agency or Pass-Through Number</u> | <u>Program Expenditures</u> |
|---|------------------------|--|---------------------------------|
| Indirect (continued) | | | |
| Department of Justice (continued) | | | |
| Iowa Department of Human Rights (continued) | | | |
| Juvenile Justice and Delinquency Prevention – Allocation to States | 16.540 | 31-JD01-F502 | \$ 15,465 |
| Juvenile Justice and Delinquency Prevention – Allocation to States | 16.540 | 31-JD02-F03 | <u>17,639</u> |
| | | | <u>33,104</u> |
| Title V – Delinquency Prevention Program | 16.548 | 31-JD01-F502 | <u>11,582</u> |
| Public Safety Partnership and Community Policing Grants | 16.710 | 04-COPS-31 | <u>8,984</u> |
| Enforcing Underage Drinking Laws Program | 16.727 | 31-JD01-F502 | 13,547 |
| Enforcing Underage Drinking Laws Program | 16.727 | 31-JD02-F03 | <u>15,891</u> |
| | | | <u>29,438</u> |
| Governor's Office of Drug Control Policy Byrne Formula Grant Program | 16.579 | 03G-1159 | <u>33,281</u> |
| Department of Transportation | | | |
| East Central Iowa Council of Governments Capital Assistance Program for Elderly Persons and Persons with Disabilities | 20.513 | | <u>46,348</u> |
| Governor's Traffic Safety Bureau | | | |
| Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants | 20.601 | 04-410, Task 27 | 17,063 |
| Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants | 20.601 | 03-410, Task 27 | <u>6,796</u> |
| | | | <u>23,859</u> |
| Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons | 20.605 | 04-163, Task 44 | <u>12,770</u> |
| Environmental Protection Agency | | | |
| Iowa Department of Public Health State Indoor Radon Grants | 66.032 | 5884RC02 | <u>268,634</u> |
| Iowa Department of Natural Resources | | | |
| Surveys, Studies, Investigations Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | 66.034 | 2003-7230-03 | 14,834 |
| Surveys, Studies, Investigations Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | 66.034 | 2004-7230-03 | <u>35,000</u> |
| | | | <u>49,834</u> |
| | | | (continued) |

COUNTY OF LINN, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004

| <u>Grantor/Program</u> | <u>CFDA Number</u> | <u>Agency or Pass-Through Number</u> | <u>Program Expenditures</u> |
|---|------------------------|--|---------------------------------|
| Indirect (continued) | | | |
| Environmental Protection Agency (continued) | | | |
| Iowa Department of Natural Resources (continued) | | | |
| Performance Partnership Grants | 66.605 | 2003-7230-03 | \$ 23,735 |
| Performance Partnership Grants | 66.605 | 2004-7230-04 | <u>77,016</u> |
| | | | <u>100,751</u> |
| Surveys, Studies, Investigations, and Special Purpose Grants | 66.606 | 2004-7230-03 | <u>12,351</u> |
| Department of Education | | | |
| Iowa Department of Human Services | | | |
| Rehabilitation Services – Vocational Rehabilitation Grants to States | 84.126 | | <u>14,233</u> |
| Supported Employment Services for Individuals with Severe Disabilities | 84.187 | | <u>492</u> |
| Iowa Department of Education | | | |
| Special Education – State Program Improvement Grants for Children with Disabilities | 84.323 | | <u>980</u> |
| Department of Health and Human Services | | | |
| Iowa Department of Public Health | | | |
| Public Health and Social Services Emergency Fund | 93.003 | 5884EM53 | <u>10,101</u> |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | 93.116 | 5883TB14 | 1,835 |
| Project Grants and Cooperative Agreements for Tuberculosis Control Programs | 93.116 | MOU-2004-TB08 | <u>350</u> |
| | | | <u>2,185</u> |
| Childhood Lead Poisoning Prevention Projects – State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children | 93.197 | 5884LP09 | <u>43,173</u> |
| Immunization Grants | 93.268 | 5883I412 | 31,156 |
| Immunization Grants | 93.268 | 5884I412 | <u>16,328</u> |
| | | | <u>47,484</u> |
| | | | (continued) |

COUNTY OF LINN, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004

| <u>Grantor/Program</u> | <u>CFDA Number</u> | <u>Agency or Pass-Through Number</u> | <u>Program Expenditures</u> |
|---|------------------------|--|---------------------------------|
| Indirect (continued) | | | |
| Department of Health and Human Services (continued) | | | |
| Iowa Department of Public Health (continued) | | | |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93.283 | MOU-2004-ELC05 | \$ 400 |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93.283 | 5883BT207 | 389,811 |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93.283 | 5884BT12 | 186,717 |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93.283 | 5884WW10 | 3,712 |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93.283 | 5884BT06 | <u>390,588</u> |
| | | | <u>971,228</u> |
| Hawkeye Area Community Action Program Head Start | 93.600 | 07CH6114 | <u>131,626</u> |
| Iowa Department of Human Services Child Support Enforcement | 93.563 | | <u>1,492,189</u> |
| Child Care and Development Block Grant | 93.575 | 39-57-294 | 48,000 |
| Child Care and Development Block Grant | 93.575 | | 517,324 |
| Child Care and Development Block Grant | 93.575 | 57-0021 | <u>34,480</u> |
| | | | <u>599,804</u> |
| Human Services Administrative Reimbursements Temporary Assistance for Needy Families | 93.558 | | <u>86,654</u> |
| Refugee and Entrant Assistance – State Administered Programs | 93.566 | | <u>280</u> |
| Child Care Mandatory and Matching Funds of the Child Care and Development Fund | 93.596 | | <u>15,816</u> |
| Foster Care – Title IV-E | 93.658 | | <u>39,285</u> |
| Adoption Assistance | 93.659 | | <u>10,508</u> |
| Medical Assistance Program | 93.778 | | <u>86,659</u> |
| Social Services Block Grant | 93.667 | | 56,964 |
| Social Services Block Grant | 93.667 | 57-0021 | <u>608,898</u> |
| | | | <u>665,862</u> |
| | | | (continued) |

COUNTY OF LINN, IOWA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004

| <u>Grantor/Program</u> | <u>CFDA Number</u> | <u>Agency or Pass-Through Number</u> | <u>Program Expenditures</u> |
|--|------------------------|--|---------------------------------|
| Indirect (continued) | | | |
| Department of Health and Human Services (continued) | | | |
| Iowa Department of Public Health | | | |
| Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs | 93.919 | 5884NB16 | \$ <u>19,368</u> |
| HIV Prevention Activities – Health Department Based | 93.940 | 5883AP04 | 32,076 |
| HIV Prevention Activities – Health Department Based | 93.940 | 5884AP04 | <u>20,330</u> |
| | | | <u>52,406</u> |
| Preventive Health Services – Sexually Transmitted Diseases Control Grants | 93.977 | 5883ST04 | <u>2,250</u> |
| Corporation for National and Community Service | | | |
| Iowa Commission on Volunteer Service | | | |
| AmeriCorps | 94.006 | 03-AF-16 | 40,733 |
| AmeriCorps | 94.006 | 02-AF-16 | <u>27,497</u> |
| | | | <u>68,230</u> |
| Social Security Administration | | | |
| Iowa Department of Human Services | | | |
| Social Security – Disability Insurance | 96.001 | | <u>95</u> |
| Department of Homeland Security | | | |
| United Way of America | | | |
| Emergency Food and Shelter National Board Program | 97.024 | 21-2964-00 | <u>48,664</u> |
| Iowa Department of Public Defense | | | |
| Hazard Mitigation Grant | 97.039 | | 10,400 |
| Hazard Mitigation Grant | 97.039 | | <u>4,390</u> |
| | | | <u>14,790</u> |
| Total Indirect | | | <u>5,916,922</u> |
| Total | | | \$ <u>5,947,649</u> |

COUNTY OF LINN, IOWA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County of Linn, Iowa, and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 – SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the County of Linn, Iowa, provided federal awards to subrecipients as follows:

| <u>Program Title</u> | <u>Federal CFDA Number</u> | <u>Amount Provided to Subrecipients</u> |
|---|--------------------------------|---|
| Emergency Shelter Grants Program | 14.231 | \$ 209,552 |
| Juvenile Accountability Incentive Block Grants (JAIBG) | 16.523 | 192,400 |
| Juvenile Justice and Delinquency Prevention – Allocation to States | 16.540 | 33,104 |
| Title V – Delinquency Prevention Program | 16.548 | 11,582 |
| Public Safety Partnership and Community Policing Grants | 16.710 | 3,849 |
| Enforcing Underage Drinking Laws Program | 16.727 | 29,438 |
| State Indoor Radon Grants | 66.032 | 54,987 |
| Special Education – State Program Improvement Grants for Children with Disabilities | 84.323 | 980 |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93.283 | 594,769 |
| Child Care and Development Block Grant | 93.575 | 560,957 |
| AmeriCorps | 94.006 | 68,230 |
| Emergency Food and Shelter National Board Program | 97.024 | 48,502 |

COUNTY OF LINN, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2004

Part I: Summary of the Independent Auditor's Results:

- (a) Unqualified opinions were issued on the financial statements.
- (b) No material weaknesses in internal control over financial reporting were noted.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major programs were noted.
- (e) An unqualified opinion was issued on compliance with requirements applicable to the major programs.
- (f) The audit did not disclose any audit findings which are required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Major programs were as follows:
 - CFDA Number 93.283 – Centers for Disease Control and Prevention – Investigations and Technical Assistance
 - CFDA Number 93.667 – Social Services Block Grant
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) The County of Linn, Iowa, qualified as a low-risk auditee.

Part II: Other Findings Related to Required Statutory Reporting:

- II-A-04 Official Depositories – A resolution naming official depositories has been adopted by the Board. The maximum deposit amounts stated in the resolution were not exceeded during the year ended June 30, 2004.
- II-B-04 Certified Budget – Disbursements during the year ended June 30, 2004, did not exceed the amounts budgeted.
- II-C-04 Questionable Expenditures – The Sheriff's office currently has vehicles assigned to non-patrol employees, with no formal policy documenting the purpose of these employees having the vehicles. Because the employees are not patrol employees, the public purpose of the assignment of the vehicles, and the related expenditures, could be questioned.

Recommendation – We recommend the Sheriff's department document the requirements for assignment of a County owned vehicle and the permitted personal use of such vehicles. The policy should incorporate the positions eligible for such an assignment.

Response – The Sheriff's office will document the requirements for assignment of a County owned vehicle and the permitted personal use of such vehicles. The policy should incorporate the positions eligible for such an assignment.

Conclusion – Response accepted.

COUNTY OF LINN, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2004

Part II: Other Findings Related to Required Statutory Reporting: (continued)

II-D-04 Travel Expense – No expenditures of County money for travel expenses of spouses of County officials or employees were noted.

II-E-04 Business Transactions – Business transactions between the County and County Officials or employees are detailed as follows:

| Name, Title, and Business Connection | Transaction Description | Amount |
|---|----------------------------|----------|
| Lu Barron, Supervisor, spouse is owner of Barron Motor Supplies, Inc. | Batteries, per bid | \$ 4,403 |
| | Parts and supplies | \$ 7,515 |
| Stephen Tucker, Finance Director, spouse is a court reporter some- times used by the County to obtain documents on certain cases | Court documents | \$ 4,991 |
| Dawn Jindrich, Budget Director, spouse rented property from the County | Land rental | \$ 300 |

In accordance with Chapter 362.5 of the Code of Iowa, the transactions with the Finance Director do not appear to represent conflicts of interest because these transactions are a result of this being professional services and the fact that the transaction is the default of her being the reporter on a certain case. In accordance with Chapter 362.5(4) of the Code of Iowa, the battery purchases with the Supervisor do not appear to represent conflicts of interest since the largest portion was entered into through competitive bidding. In accordance with Chapter 362.5(10) of the Code of Iowa, the transaction with the Budget Director does not appear to represent a conflict of interest since the total transaction was less than \$1,500 during the fiscal year. The parts and supplies purchases appear to represent a conflict of interest as the purchases exceed the \$1,500 allowed by Chapter 362.5(10) of the Code of Iowa.

Recommendation – We recommend the Board consult legal counsel regarding this matter.

Response – The Board has consulted legal counsel regarding this matter. On the advice of counsel, all non-bid items in the County inventory were returned to Barron Motor Supplies. Departments have been instructed not to purchase any non-bid items from Barron Motor Supplies.

Conclusion – Response accepted.

II-F-04 Bond Coverage – Surety bond coverage of County officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.

II-G-04 Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

COUNTY OF LINN, IOWA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2004

Part II: Other Findings Related to Required Statutory Reporting: (continued)

- II-H-04 Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the County’s investment policy were noted.
- II-I-04 Resource Enhancement and Protection Certification – The County properly dedicated property tax revenue to conservation purposes as required by Chapter 455A.19(1)(b) of the Code of Iowa in order to receive the additional REAP funds allocated in accordance with subsections (b)(2) and (b)(3).
- II-J-04 County Extension Office – The County Extension Office is operated under the authority of Chapter 176A of the Code of Iowa and serves as an agency of the State of Iowa. This fund is administered by an extension council separate and distinct from County operations and, consequently, is not included in the governmental funds balance sheet or statement of revenues, expenditures, and changes in fund balances.

Disbursements during the year ended June 30, 2004, for the County Extension Office did not exceed the amount budgeted.